

REMARKS/ARGUMENTS

Prior to this amendment, claims 1-17 and 19-21 were pending. In this amendment, claims 8 and 15 are amended, no claims are canceled, and no claims are added. No new matter is added. Thus, after entry of this amendment, claims 1-17 and 19-21 are pending.

I. Claim Rejections – 35 USC § 112, Indefinite

Claims 8 and 15 are rejected under 35 U.S.C. §112, second paragraph as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In particular, the Office action alleges the limitation “consolidating an accounting consolidation ledger with an accounting consolidation processor,” is vague and indefinite, and thus the limitation is not positively recited. Claims 8 and 15 have been amended to more clearly positively recite the limitation, and as such the rejection is obviated. Withdrawal of this rejection is respectfully requested.

II. Claim Rejections – 35 USC § 103(a), Knudtzon, McClendon, Beams

Claims 1-4, 8-11, 15-17, and 21 are rejected under 35 U.S.C. §103(a) as being unpatentable over *Knudtzon* (U.S. Patent No. 7,120,597) in view of *McClendon* (U.S. Publication No. 2003/0046194), and further in view of *Beams* (Beams, Floyd A. – Advanced Accounting, 1992, 5th Edition). This rejection is traversed.

Claim 1

Claim 1 has not been amended. It is respectfully requested that any new rejection of claim 1 be made non-final, as it would not have been necessitated by applicants’ amendment. Each and every limitation of claim 1 is not taught or suggested by the cited references, alone or in combination. Even if, for the sake of argument, it is assumed that each and every limitation of claim 1 is taught or suggested, the combination of the references would be improper as it alters the principle mode of operation of the primary reference.

A. Each and every limitation is not taught or suggested

Each and every limitation of claim 1 is not taught or suggested by the cited references, alone or in combination. For example, claim 1 recites in part:

a post module configured to, in response to receiving a selection from a user indicating acceptance of the proforma ledger balances, post the at least one accounting adjustment entry and the accounting pending journal to the accounting consolidation ledger

(*emphasis added*). As admitted by the Office Action, such a limitation is not disclosed by *Knudtson*. (Office Action Pg. 5). The Office Action alleges this limitation is disclosed by *McClendon*, paragraphs 34, 41, and 42. *McClendon* describes reviewing accounting lines prior to posting the lines to a ledger, not posting adjustments to a ledger in response to receiving a selection from a user indicating acceptance of the proforma ledger balances. The cited sections of *McClendon* are reproduced below.

[0034] The creation of posting lines not only enables a universal source of information for updates and for the creation or recreation of budget and accounting files within the system, but also allows users to view accounting entries online, and to make corrections or modifications before postings are made to the budget and accounting files.

[0041] Operation 170 is an optional operation. At operation 170, after the posting lines are created, a user may go, for example, to a posting line tab of a document previously processed to review the generated posting lines to ensure that the correct postings were generated. The user has the choice of viewing the posting lines in a number of different ways. One posting line viewing method allows for viewing by a certain commodity or a view showing an aggregate of posting lines at a higher level than the accounting line. An alternate posting line viewing method allows for the viewing of all generated posting lines for a document. A further

viewing method allows for the viewing of error messages resulting from the attempt to generate particular posting lines.

[0042] Advantageously, the viewing of the posting lines may be performed before the posting lines are posted into budgets and accounting files. Further, the accounting transactions which were used in the creation of the posting lines may be reviewed, modified, and edited in order to correct the

incorrect accounting transaction entries on the accounting line. In addition, accounting transaction amounts may be modified by a user without knowledge of what the original or previous transaction entries were, i.e., accounting transaction amounts may be modified without the need for the user to refer back to original or previous accounting transaction amounts. The posting lines themselves may also be modified and edited either online or offline in order to correct the error messages.

Nowhere in the cited portions of *McClendon* is a ledger balance, let alone a proforma ledger balance disclosed or suggested. The entirety of *McClendon* has been reviewed, and it is unclear where a ledger balance of any type is disclosed or suggested. *McClendon* discloses or suggests a user reviewing posting lines, not ledger balances.

The Office Action does not allege that such a limitation is taught or suggested by *Beams*. As such, none of the cited references teach or suggest such a limitation. Even in combination, such a limitation would not be taught or suggested. The combination of the references would not inherently result in posting the accounting adjustment journal after reviewing the ledger balances, because the accounting adjustment journals could simply be posted upon creation, without any review. As such a limitation is not taught or suggested by the references individually, and the combination of the references does not inherently result in such a limitation, the Office Action has failed to make a *prima facie* case of obviousness.

B. Combination alters the principle of operation of the primary reference

As noted in MPEP 2143.01(VI), “If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious. *In re Ratti*, 270 F.2d 810, 123 USPQ 349 (CCPA 1959).”

Even if the Office Action’s interpretation of *McClendon*, for the sake of argument, describes “a post module configured to, in response to receiving a selection from a user indicating acceptance of the proforma ledger balances, post the at least one accounting adjustment entry and the accounting pending journal to the accounting consolidation ledger,” a

combination of *McClendon* with *Knudtson* would result in *Knudtson* becoming inoperative for its intended use, and would thus alter the principle of operation of the primary reference.

Knudtson describes an overlay system which allows service providers to enter adjustment data which is combined with data that has already been entered into a general ledger. (Column 7, lines 19-35). The overlay systems combines overlay adjustment data with the overlay general ledger to obtain adjusted overlay general ledger data, which can be filtered, sorted and/or formatted by the overlay report system to obtain overlay reports. (Column 7, lines 56-61). The overlay system allows for the overlay adjustment data that was entered by the user to be stored in an overlay adjustment journal for later use. (Column 8, lines 58-61).

Knudtson discloses a separate overlay system, wherein modifications to the overlay data are isolated from the main system. If adjustment entries from the overlay system are posted to the main system, it alters principle of operation of *Knudtson*, wherein data in the overlay system is maintained separately from data in the main system.

Withdrawal of the rejection of claim 1 and the claims which depend therefrom is respectfully requested. Furthermore, claims 16 and 21 contain limitations that are likewise not obvious for at least some of the reasons as set forth with respect to claim 1. Withdrawal of the rejection of claims 16 and 21, and the claims which depend therefrom, is respectfully requested.

Claim 8

Claim 8 contains limitation that are not obvious for reasons including at least those set forth with respect to claim 1. However, in the interests of advancing prosecution, claim 8 has been amended to further clarify the distinctions over the art of record. For example, claim 8 as amended recites in part:

posting the at least one accounting adjustment entry and the at least one consolidated accounting adjustment entry to the accounting consolidation ledger after review by a user, wherein posting the at least one consolidated accounting adjustment entry to the accounting consolidation ledger includes determining, based on an account code of the at least one consolidated accounting adjustment entry, if an entry in the consolidation ledger will be created or if an entry that already exists in the accounting consolidation ledger will be updated, and creating or updating based on the determination

(*emphasis added*). The art of record does not teach or suggest determining, based on an account code, if an entry in the consolidation ledger should be created or updated. The cited art generally refers to posting an entry into a ledger, but does not teach or suggest posting an entry to a ledger can include either creating a new entry, or updating an existing entry in the consolidation ledger, and that such a determination is made based on an account code.

Withdrawal of the rejection of claim 8, and the claims which depend therefrom is respectfully requested. Claim 15 has also been amended to contain limitations that are likewise not obvious for at least some of the reasons as set forth with respect to claim 8. Withdrawal of the rejection of claims 15 is respectfully requested.

III. Claim Rejections – 35 USC § 103(a), Knudtzon, McClendon, Beams, AAPA

Claims 5-7, 12-14, and 19-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over *Knudtzon* in view of *McClendon* and in view of *Beams* as applied to claims 1-4, 8-11, 15-17, and 21 above, and in further in view of Applicant Admitted Prior Art (AAPA). This rejection is traversed. Claims 5-7, 12-14, and 19-20 are allowable by virtue of their dependence from their respective corresponding independent claims, as discussed above.

IV. Amendment to the Claims

Unless otherwise specified or addressed in the remarks section, amendments to the claims are made for purposes of clarity, and are not intended to alter the scope of the claims or limit any equivalents thereof. Support for the claim amendments can be found throughout the specification, including such places as paragraphs 31-34. No new matter is added.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 415-576-0200.

Respectfully submitted,

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